



# Brownfields Cleanup Revolving Loan Fund Pilot

*Louisville, KY*

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

## BACKGROUND

The BCRLF Pilot target area is a federally designated Enterprise Community (EC) and encompasses the city's most distressed neighborhoods. It has also been the center of Louisville's heavy industrial corridor for more than 100 years. As much as 25 percent of this land is old industrial property that is vacant or underused. An average of 47.7 percent of residents live in poverty in many neighborhoods in the target area. In addition, these neighborhoods suffer from population drain; nearly 20 percent of the population has left in the last decade. These neighborhoods also have the state's highest concentrations of minority residents.

## BCRLF OBJECTIVES

The BCRLF will be a new product for Louisville's private financial market and the Louisville Community Development Bank (LCDB). The LCDB is an independent institution created to target the city's under-served communities. The goal of the BCRLF Pilot program is to fund loan programs for the cleanup of contaminated properties and their return to productive use. The city hopes to reap other indirect benefits from the BCRLF, including: new or expanded businesses in the city; new jobs as a result of business

## PILOT SNAPSHOT



Louisville, Kentucky

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area : Sites  
in Louisville's federally  
designated Enterprise  
Community.

### Contacts:

City of Louisville  
Office of  
Health and Environment  
(502) 574-3271

Regional Brownfields Team  
U.S. EPA - Region 4  
(404) 562-8661

Visit the EPA Region 4 Brownfields web site at:  
<http://www.epa.gov/region4/wastepgs/brownfpgs/bf.htm>

For further information, including specific Pilot contacts,  
additional Pilot information, brownfields news and events, and  
publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

expansion; a net increase in the general revenue fund through increased tax revenues; and a heightened awareness among business owners, developers, and residents of the issues concerning environmental hazards and their cleanup.

## FUNDSTRUCTUREANDOPERATIONS

Four organizations will partner to coordinate implementation of the BCRLF. The city's Office of Health and Environment (OHE) will coordinate the Pilot program and act as the Lead Agency on environmental cleanups carried out by loan recipients. OHE will act as Site Manager to ensure compliance with CERCLA and all other applicable environmental requirements. The LCDB will serve as the BCRLF Fund Manager. In addition, the Justice Resource Center and University of Louisville's Center for Environmental Management will ensure attention is paid to community involvement and environmental justice concerns in implementing the BCRLF.

The city expects that the BCRLF loan pool will be used to fund relatively small cleanup projects. The average size of each loan is expected to be between \$40,000 and \$50,000, with six or seven loans issued in the initial round of lending. In addition, the city may also make the BCRLF funds available to guarantee loans made by private institutions. Preference will be given to making loans for projects that would not be economically viable without the BCRLF and for redevelopment projects that have minimal impact on air quality, to supplement ongoing projects in the city.

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*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

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